

A few developing countries in East Asia, the Asian 'tigers', namely, Hong Kong, Singapore, South Korea and Taiwan, under the leadership of Japan, took advantage of the global shift in assembly and manufacturing away from high-cost Western producers and experienced miraculous economic transformation. The least developed states are not part of the global economy. They continue in their dependent position, surviving by exporting primary products, the prices of which are low and volatile. Some countries in sub-Saharan Africa were vulnerable to natural disasters. In some African countries the population of people of working age is reduced by AIDS. They have the least opportunities for attracting investment so crucial for economic development. They are dependent on rich countries and are experiencing what is termed 'development of underdevelopment'.

Globalisation in Authoritarian Regimes (Vietnam and Laos)

(An authoritarian regime is a political system without an elaborate guiding ideology. A leader or group exercises power.)

Vietnam and Laos with socialist regimes turned to new partners for collaboration when, at the end of the Cold War, they lost Soviet support. These two states are far from democratic and are not integrated in the process of globalisation. The puzzle therefore, is that their liberalisation process is within the framework of authoritarianism. Liberalisation can lead to great changes. There will be economic development and accompanying it will be higher rates of literacy and the demand by people for a change in the power structure. There are political analysts who view that globalisation need not lead to democratisation, and that democracy is not a pre-requisite for economic modernisation as demonstrated by Taiwan and South Korea. Democracy, when it has succeeded in effecting institutional changes, may not be reversed, but liberal reforms can be withdrawn. It may be said that the role of the elite, the inflow of information and the success stories of liberal governments can undermine

authoritarian structures. The reduction of the economic power of the state and the inability of the government to respond positively to the demands of the people such as employment and health problems may combine to challenge the power of the authoritarian state.

In Vietnam, reform was introduced by the one-party government as a response to the initiatives taken by the private sector to increase production. Impressed by the progress made in the private sector, the authorities approved the new measures introduced to improve production. The Vietnamese communist party and its leaders in charge of the government instantly acknowledged the inevitability of some degree of fundamental change that should result in the economic change wanted for the development of the country. This softening of the policy of centralism can be attributed to the economic arguments in the neighbouring countries and the generation and with it the demand for consumer goods.

The awareness of the need for modification to the regime led to some limited political reforms. The redrafted constitution of 1992 confirmed the reforms that had already taken place. Although the party remains in power, the redraft allowed non-party members into the legislature to encourage debate before decision-making. The changes have made the people materially better, and people are better educated and better organised. These achievements somewhat offset the risk the prestige gained from its previous revolutionary successes. The balance of power between the reformists and party leaders is maintained by having candidates from the camps hold top positions.

In Laos, socialism introduced in 1975 did not bring about prosperity and in the 1980s, the New Economic Mechanism was aimed at economic reform. The belief was that the Lao economy will combine with one-party (Lao People's Revolutionary Party) administration to ensure prosperity. Though